

AMENDED IN ASSEMBLY JUNE 2, 2009

AMENDED IN ASSEMBLY APRIL 2, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 366

Introduced by Assembly Member Ruskin
(Coauthors: ~~Assembly Members Adams and Portantino~~)

February 23, 2009

An act to ~~add Section 14083.7 to~~ amend Section 14083 of the Welfare and Institutions Code, relating to Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 366, as amended, Ruskin. Medi-Cal: inpatient hospital services ~~contracts~~; *contracts: orthopedic implantation*.

Existing law provides for the Medi-Cal program, administered by the State Department of Health Care Services, under which qualified low-income persons are provided with health care services.

Under existing law, the California Medical Assistance Commission is authorized to negotiate inpatient hospital services contracts that are binding upon the department. Existing law requires the commission to consider certain factors in negotiating inpatient hospital services contracts *or in drawing specifications for competitive bidding*.

This bill would ~~additionally require the California Medical Assistance Commission, in negotiating contracts or in drawing specifications for competitive bidding, to provide for separate reimbursement for hospitals for the full cost of orthopedic implants for cancers of the bone~~ *add specialization in orthopedic implantation related to cancers of the bone to the list of factors the commission is required to consider*.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 *SECTION 1. Section 14083 of the Welfare and Institutions*
2 *Code is amended to read:*
3 14083. The factors to be considered by the negotiator in
4 negotiating contracts under this article, or in drawing specifications
5 for competitive bidding, include, but are not limited to, all of the
6 following:
7 (a) Beneficiary access.
8 (b) Utilization controls.
9 (c) Ability to render quality services efficiently and
10 economically.
11 (d) Demonstrated ability to provide or arrange needed
12 specialized services.
13 (e) Protection against fraud and abuse.
14 (f) Any other factor ~~which~~ *that* would reduce costs, promote
15 access, or enhance the quality of care.
16 (g) The capacity to provide a given tertiary service, such as
17 specialized children's services, on a regional basis.
18 (h) *Specialization in orthopedic implantation related to cancers*
19 *of the bone.*
20 ~~(h)~~
21 (i) Recognition of the variations in severity of illness and
22 complexity of care.
23 ~~(i)~~
24 (j) Existing labor-management collective bargaining agreements.
25 ~~(j)~~
26 (k) The situation of county hospitals and university medical
27 centers contracting with counties for provision of health care to
28 indigent persons entitled to care under Section 17000, which are
29 burdened to a greater extent than private hospitals with bad debts,
30 indirect costs, medical education programs, and capital needs.
31 ~~(k)~~
32 (l) The special circumstances of hospitals serving a
33 disproportionate number of Medi-Cal beneficiaries and patients
34 who are not covered by other third-party payers, including the

1 costs associated with assuring an adequate supply of registered
2 nurses.

3 ~~(t)~~

4 (m) The costs of providing complex emergency services,
5 including the costs of meeting and maintaining state and local
6 requirements for trauma center designation.

7 ~~(m)~~

8 (n) The hospital does any of the following:

9 (1) Provides additional obstetrical beds.

10 (2) Contracts with one or more comprehensive perinatal
11 providers.

12 (3) Permits certified nurse midwives, subject to hospital rules,
13 and consistent with existing laws and regulations, to admit patients
14 to the health facility.

15 (4) Expands overall obstetrical services in the hospital.

16 ~~(n)~~

17 (o) The special circumstances of hospitals whose Medi-Cal
18 inpatient utilization rate exceeds the mean Medicaid inpatient
19 utilization rate by at least one-half of one standard deviation.

20 ~~(o)~~

21 (p) The ability and capacity of the contracting hospital in a
22 closed health facility planning area to provide health care services
23 to beneficiaries who are in life threatening or emergency situations,
24 but have been sufficiently stabilized at another noncontracting
25 facility in order to facilitate transportation to the contracting
26 hospital.

27 ~~(p)~~

28 (q) The ability of the contracting hospital to provide a secure
29 environment for the provision of health care services. In this regard,
30 the negotiator shall consider additional security measures that the
31 contracting hospital may have taken to provide a secure
32 environment, including, but not limited to, the use of detection
33 equipment or procedures to detect lethal weapons, the appropriate
34 use of surveillance cameras, limiting access of unauthorized
35 personnel to the emergency department, installation of bullet proof
36 glass as appropriate in designated areas, the use of emergency
37 “panic” buttons to alert local law enforcement agencies, and
38 assigning full-time security personnel to the emergency department.

39 ~~SECTION 1. Section 14083.7 is added to the Welfare and~~
40 ~~Institutions Code, to read:~~

1 ~~14083.7. In addition to considering the factors specified in~~
2 ~~Sections 14083 and 14083.5, the California Medical Assistance~~
3 ~~Commission, in negotiating contracts under this article, or in~~
4 ~~drawing specifications for competitive bidding, shall provide for~~
5 ~~separate reimbursement for hospitals for the full cost of orthopedic~~
6 ~~implants for cancers of the bone.~~

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